

Federal Personnel Manual System

FPM Letter 591-47

SUBJECT: Nonforeign Area Cost-of-Living Allowances for
Guam and the State of Hawaii and Post Differentials
for Certain Pacific Islands

RETAIN UNTIL SUPERSEDED

Washington, D. C. 20415

September 8, 1983

Supersedes FPM Letters 591-29 and 591-44

Heads of Departments and Independent Establishments:

1. Introduction

The Office of Personnel Management has completed its 1983 review of the cost-of-living allowances paid to eligible employees in Guam and the State of Hawaii. These allowances are paid under 5 U.S.C. 5941, Executive Order 10,000, as amended, and part 591 of the Office's regulations. This FPM letter announces the results of the review and publishes the post differential rates currently in effect for certain Pacific islands.

2. Effective Date of Allowance Rate Adjustments

The effective date of the allowance rates shown in the attachment is the first pay period that begins on or after October 2, 1983.

3. Post Differential Rates

The post differential locations and rates currently authorized are as follows:

| <u>Location</u> | <u>Differential Rate</u> |
|---------------------------|--------------------------|
| American Samoa | 25% |
| Canton Island | 25% |
| Christmas Island | 25% |
| Johnston and Sand Islands | 25% |
| Midway Islands | 25% |
| Wake Island | 25% |
| Guam | 20% |



4. General Information

Agencies are requested to inform employees in the areas concerned of the actions approved by the Office of Personnel Management. When doing so, advise employees that the allowance rates are subject to change, up or down, after each review. It is also important that employees understand that the law does not provide for an allowance to compensate for increases in the cost-of-living, as such. Rather, the law provides for an allowance to compensate for the difference in living costs between Washington, D.C., and the nonforeign area when living costs there are substantially higher than comparable costs in Washington, D.C.

A handwritten signature in dark ink, appearing to read "Donald J. Devine".

Donald J. Devine
Director

Attachment

Inquiries: Allowances and Special Rates Division, Compensation Group, 202-632-8742

Code: 591, Allowances and Differentials Payable in Nonforeign Areas

Distribution: FPM

This attachment shows the nonforeign area cost-of-living allowance rates for each allowance category for those locations for which an allowance has been authorized by OPM. It also includes definitions of the allowance categories for use in determining employee eligibility for an allowance.

State of Hawaii

ISLAND OF OAHU

| <u>Allowance Category</u> | <u>1983 Index</u> | <u>Change From 1982 Allowance Rate</u> | <u>1983 Authorized Allowance Rate</u> |
|-----------------------------------|-----------------------|--|---|
| Local Retail/ Private Housing | 121.7 | +2.5 | 22.5% |
| Local Retail/ Federal Housing | 105.0 | -5.0 | 5.0% |
| Commissary/PX/ Private Housing | 111.8 | +2.5 | 12.5% |
| Commissary/PX/ Federal Housing | 95.1 | 0 | -0- |

ISLAND OF KAUAI

| <u>Allowance Category</u> | <u>1983 Index</u> | <u>Change From 1982 Allowance Rate</u> | <u>1983 Authorized Allowance Rate</u> |
|-----------------------------------|-----------------------|--|---|
| Local Retail/ Private Housing | 114.6 | -2.5 | 15.0% |
| Local Retail/ Federal Housing | 106.7 | -5.0 | 7.5% |
| Commissary/PX/ Private Housing | 113.1 | -2.5 | 12.5% |
| Commissary/PX/ Federal Housing | 105.1 | -5.0 | 5.0% |

MAUI COUNTY (Islands of Maui, Molokai and Lanai)

| <u>Allowance Category</u> | <u>1983 Index</u> | <u>Change From 1982 Allowance Rate</u> | <u>1983 Authorized Allowance Rate</u> |
|-----------------------------------|-----------------------|--|---|
| Local Retail/ Private Housing | 120.9 | 0 | 20.0% |
| Local Retail/ Federal Housing | 113.4 | -2.5 | 12.5% |
| Commissary/PX/ Private Housing | None* | ---- | ---- |
| Commissary/PX/ Federal Housing | None* | ---- | ---- |

ISLAND OF HAWAII

| <u>Allowance Category</u> | <u>1983 Index</u> | <u>Change From 1982 Allowance Rate</u> | <u>1983 Authorized Allowance Rate</u> |
|-----------------------------------|-----------------------|--|---|
| Local Retail/ Private Housing | 113.1 | +2.5 | 12.5% |
| Local Retail/ Federal Housing | 104.6 | -7.5 | -0- |
| Commissary/PX/ Private Housing | None* | ---- | ---- |
| Commissary/PX/ Federal Housing | None* | ---- | ---- |

*This allowance category does not exist in that allowance area and the appropriate local retail allowance rate applies depending on the type of housing occupied.

ISLAND OF GUAM

| <u>Allowance Category</u> | <u>1983 Index</u> | <u>Change From 1982 Allowance Rate</u> | <u>1983 Authorized Allowance Rate</u> |
|-----------------------------------|-----------------------|--|---|
| Local Retail/ Private Housing | 111.5 | 0 | 12.5% |
| Local Retail/ Federal Housing | 111.5 | 0 | 12.5% |
| Commissary/PX/ Private Housing | 100.1 | 0 | -0- |
| Commissary/PX/ Federal Housing | 100.1 | 0 | -0- |

Definitions of Allowance Categories

The following definitions of the various allowance categories identified in the table in this attachment shall be used in determining employee eligibility for the appropriate allowance rate:

| <u>Allowance Category</u> | <u>Definition</u> |
|-----------------------------------|--|
| Local Retail/ Private Housing | This category includes those Federal employees who purchase goods and services from private retail establishments and who occupy housing units that are privately owned or rented. It also includes those employees who do not fall into one of the other allowance categories. |
| Local Retail/ Federal Housing | This category includes those Federal employees who purchase goods and services from private retail establishments and who occupy, as a result of their Federal civilian employment, housing units that are owned or leased by a Federal agency. |
| Commissary/PX/ Private Housing | This category includes those Federal employees who have unlimited access to and who use military commissary and exchange facilities stemming from their Federal civilian employment and who occupy housing units that are privately owned or leased. |
| Commissary/PX/ Federal Housing | This category includes those Federal employees who have unlimited access to and who use military commissary and exchange facilities stemming from their Federal civilian employment and who occupy, as a result of their Federal civilian employment housing units that are owned or leased by a Federal agency. |

Note: Eligibility for access to military commissary and exchange facilities is determined by the appropriate military department. If an employee is furnished commissary/exchange privileges for reasons associated with Federal civilian employment, the employee will have an identification card that authorizes access to the facilities. Possession of such an identification card, i.e., one issued by reason of Federal civilian employment, is sufficient evidence that the employee uses the facilities. Similarly, the fact that an employee who has been authorized to occupy a Federally owned or leased housing unit as a result of Federal civilian employment actually occupies the unit is evidence that the unit is "used".

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